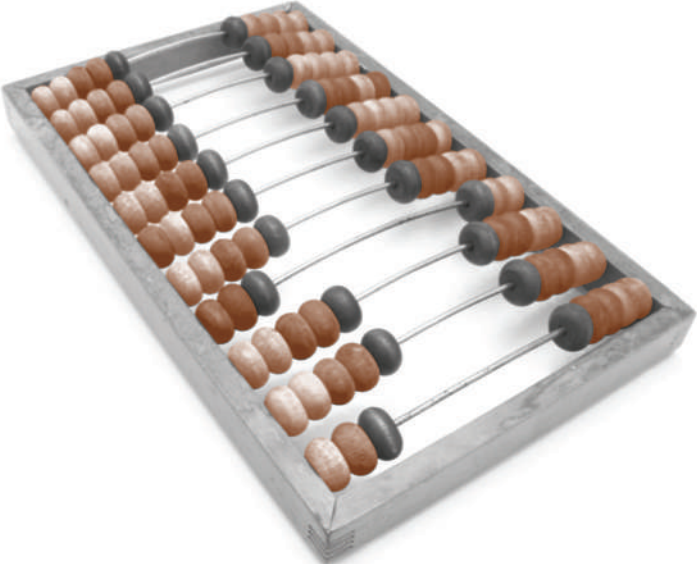


# Faysal Asset Management

## Savings Growth Fund

Condensed Interim Financial Statements for  
The Half Year Ended December 31, 2019



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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited

### Board of Directors of the Management Company

Mr. Salman Ahmed Usmani, Chairman  
Mr. Osman Asghar Khan, Director  
Mr. Mian Salman Ali, Director  
Syed Muhammad Fraz Zaidi, Director  
Mr. Tahir Yaqoob Bhatti, Director  
Mr. Nadir Rehman, Director  
Mr. Khaldoon Bin Latif, Director/CEO

### Chief Executive Officer

Mr. Khaldoon Bin Latif

### Chief Financial Officer Company Secretary of the Management Company

Mr. Faisal Ali Khan

### Audit Committee

Mr. Osman Asghar Khan, Chairman  
Mr. Mian Salman Ali, Member  
Syed Muhammad Fraz Zaidi, Member

### HR Committee

Mr. Osman Asghar Khan, Chairman  
Mr. Salman Ahmed Usmani, Member  
Mr. Nadir Rehman, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S.,  
Main Shahrah-e-Faisal, Karachi.

### Bankers to the Fund

MCB Bank Limited  
Soneri Bank Limited  
Bank Alfalah Limited  
Faysal Bank Limited  
United Bank Limited  
Habib Metropolitan Bank Limited  
Allied Bank Limited  
Habib Bank Limited  
JS Bank Limited  
Zarai Taraqiati Bank Limited  
Sindh Bank Limited  
Silk Bank Limited

### Auditors

A.F. Ferguson & Co. Chartered Accountants

### Legal Advisor

Mohsin Tayebaly & Co.  
2nd Floor, Dime Centre,  
BC-4 Block-9, KDA-5,  
Clifton, Karachi.

### Registrar

ITMinds Limited  
Central Depository Company of Pakistan, Limited  
CDC House, 99B, Block-B, S.M.C.H.S.,  
Main Shahra-e-Faisal, Karachi.

## **MISSION AND VISION**

To provide world class investment management and advisory services for the benefit of clientele looking to maximize their financial returns while minimizing risk.

To amplify our client-centricity by inspiring innovation, championing customer service, generating competitive returns, and honoring the utmost ethical and professional standards.

## **MISSION STATEMENT**

Faysal Savings Growth Fund seeks to provide investors a consistent income stream with maximum preservative of capital.

## Report of the Directors of the Management Company

The Directors of Faysal Asset Management Limited, the Management Company of Faysal Savings Growth Fund (FSGF), are pleased to present the un-audited condensed interim financial statements of FSGF for the half year and quarter ended December 31, 2019.

### FINANCIAL HIGHLIGHTS

	Half Year Ended		Quarter Ended	
	December 31		December 31	
	2019	2018	2019	2018
	<b>Rupees in million</b>			
Total income	<b>103.306</b>	80.564	<b>50.768</b>	45.478
Total expenses	<b>(18.095)</b>	(24.658)	<b>(9.165)</b>	(12.083)
Net income for the period before taxation	<b>85.211</b>	55.906	<b>41.603</b>	33.395
Taxation	-	-	-	-
Net income for the period after taxation	<b>85.211</b>	55.906	<b>41.603</b>	33.395
NAV per unit (Rs.)	<b>108.00</b>	105.11	<b>108.00</b>	105.11

### ECONOMIC REVIEW

Country's political topography continues to be overshadowed with volatility abroad especially Middle East as Pakistan had to reassure Saudi Arabia's leadership that its ties with them remains firm despite Islamabad's engagement with other Muslim countries. The United States has showed concerns that CPEC may push Pakistan into an already stifling debt burden while Minister for Economic Affairs has stated that Pakistan would successfully achieve the Financial Action Task Force's International Co-operation Review Group action plan in 2020 as FATF related bills are presented in Senate.

As of FY 19, the real growth rate has declined to 2.9% below mean level of 4.4% vs. 5.8% as of FY 18. The IMF expects cycle to rebound in FY 21. The consumption and external accounts are emanating signs of recovery with expectations of improvement in government spending. Moody's has changed its outlook for Pakistan from negative to stable. PKR/USD is trading at 155 as it is up 13% YoY vs. 29% in SPLY with inflation differential of 11% with United States. The provisional REER for November 2019 is at 96 vs. 101 in SPLY. Central bank has maintained policy rate at 13.25% in latest meeting and we expect slight quantitative easing from July 2020. Currently, Pakistan holds FX reserves of USD 11.4bn with Central Bank.

The Phase-II of China-Pakistan Free Trade Agreement has come into force with effect from December 1, 2019. Meanwhile, December 2019 quarterly CAD, 1.0% of GDP or USD 661mn is under control with continuous improvement in run rate as December 2019 quarterly imports are down 17% YoY with an import cover of 2.6 months vs. 1.4 months in SPLY.

Current govt. has raised EOBi pension to PKR 8,500/month to provide a relief in lieu of declining purchasing power. However; consumption is slightly improving as December 2019 quarterly 1) inflation is slightly down to 11.9% vs. 6.5% in SPLY and 2) petrol volumes are up 4% YoY vs. -3% in SPLY. Gazprom, a Russian company, will initiate the feasibility study for laying down undersea pipeline from Gulf to Pakistan, India and Bangladesh and ultimately ending to China after touching Myanmar and Thailand as Pakistan is aggressively eying for FDI by improving business climate. As a result the December 2019 quarterly domestic cement dispatches are up 7% YoY vs. -2% in SPLY.

To improve tax collection, FBR has decided to extend the scope of Track & Trace System to other major sectors to gauge real time production for the purpose of materializing full tax collection. As of September 2019, Government TTM tax collection has declined 0.3% YoY vs. 4.0% in SPLY, hence; development spending is down 18% YoY vs. 8% in SPLY taking fiscal deficit to 8% of GDP vs. 7% in SPLY.

**MONEY MARKET REVIEW**

As of 1QFY20, fiscal balance (as a % of GDP) improved immensely from deficit of 1.40% in SPLY to 0.65% in the current period which was also praised by the IMF. Provisional tax collection for the period 1HFY20 stood at PKR 2.08trn, portraying a growth of 16% on YoY basis. Improvement in tax collection was the main reason for improvement in fiscal balances.

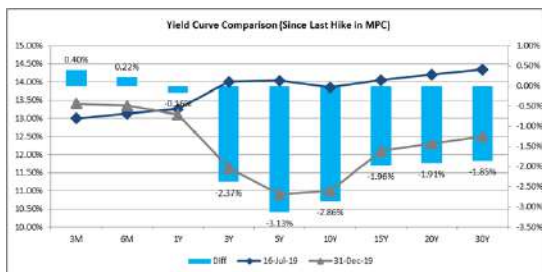
Post first review, IMF introduced some changes in the program including revising down the tax collection target. Further, economic managers are changing the maturity paradigm with current debt exposure of 1) PKR 4.6trn treasury bills vs. PKR 3.4trn SPLY and 2) PKR 12.0trn treasury bonds vs. PKR 3.1trn in SPLY as borrowing from Central Bank is being shifted to banks. As the interest rate is expected to reverse in the midterm, government will focus on raising money by issuing floating bonds.

During the last three months, Central Bank conducted seven treasury bills auctions, declining weighted average yield as of Dec19 for 1) three months to 13.45% from 13.72% (Sep19), 2) six months to 13.29% from 13.83% (Sep19), & 3) twelve months to 13.11% from 13.77% (Sep19). The total amount realized was PKR 3.81trn during the said period whereas the target for the ongoing quarter is PKR 2.40trn.

During the same period, Central Bank conducted three treasury bonds auctions with total accepted amount of PKR 412bn, decreasing weighted average yield as of Dec19 for 1) three years to 11.70% from 12.87% (Sep19), 2) five years to 11.15% from 12.38% (Sep19) and 3) ten years to 10.95% from 12.15% (Sep19). Since the last auction before monetary policy, yields slightly declined by 7bps for 3Yr, 24bps for 5Yr and 33bps for 10Yr tenor. Target for the ongoing quarter is PKR 450bn where government is aiming to stick with targets.

Market participants believe that near term inflation will remain upward which may not support rate cut for couple of months and ample demand from corporates and foreigners is the only reason for declining yields. We are also of the view that Central Bank may follow sustainable path for interest rate movement and may not play abruptly for rate cut.

To improve tax collection, FBR has decided to extend the scope of Track & Trace System to other major sectors to gauge real time production for the purpose of materializing full tax collection. As of September 2019, Government TTM tax collection has declined 0.3% YoY vs. 4.0% in SPLY, hence; development spending is down 18% YoY vs. 8% in SPLY taking fiscal deficit to 8% of GDP vs. 7% in SPLY.



**FUND PERFORMANCE**

FSGF yielded annualized return of 10.87% during the period 1HFY20. By the end of the period, your fund's investment in TFC / Sukuk was 42.36%; PIB's were 3.01%; and Cash at Banks were 48.41%. Going forward, your fund would continue to explore lucrative yet low risk and less volatile investment avenues to generate superior returns.

**FUND RATING**

The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "AA-(f)" stability rating to FSGF as of October 17, 2019.

**ACKNOWLEDGEMENT**

The Board of Directors of the Management Company is thankful to the unit holders for their confidence on the Management, the Securities and Exchange Commission of Pakistan and the management of Pakistan Stock Exchange Limited for their valuable support, assistance and guidance. The Board also thanks the employees of the Management Company and the Trustee for their dedication and hard work.

**For and on behalf of the Board**

**Chief Executive Officer  
Karachi: January 31, 2020**

**Director**

**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED****Head Office**

CDC House, 99-B, Block 'B'  
S.M.C.H.S. Main Shakra-e-Faisal  
Karachi - 74400, Pakistan.  
Tel: (92-21) 111-111-500  
Fax: (92-21) 34326021 - 23  
URL: [www.cdcPakistan.com](http://www.cdcPakistan.com)  
Email: [info@cdcpak.com](mailto:info@cdcpak.com)

**TRUSTEE REPORT TO THE UNIT HOLDERS****FAYSAL SAVINGS GROWTH FUND****Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of Faysal Savings Growth Fund (the Fund) are of the opinion that Faysal Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2019 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

  
**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 24, 2020



A.F. FERGUSON & CO.

**INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF FAYSAL SAVINGS GROWTH FUND**

**Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Faysal Savings Growth Fund** (the Fund) as at December 31, 2019 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the half year then ended. The Management Company (Faysal Asset Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2019 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2019.

**Scope of Review**

We conducted our review in accordance with the International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

**Other matter**

The condensed interim financial statements of the Fund for the half year ended December 31, 2018 was reviewed and the financial statements of the Fund for the year ended June 30, 2019 were audited by another firm of Chartered Accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated February 26, 2019 and September 26, 2019 respectively.

Chartered Accountants

Engagement Partner: **Shahbaz Akbar**

Dated: February 28, 2020

Karachi

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
 State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
 Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

## Condensed Interim Statement of Assets and Liabilities

As at December 31, 2019

		December 31, 2019 (Un-audited)	June 30, 2019 (Audited)
	Note	----- (Rupees) -----	
<b>Assets</b>			
Balances with banks	4	810,489,398	708,408,906
Investments	5	784,143,247	921,394,589
Receivable against Margin Trading System (MTS)		20,243,645	-
Deposits, prepayments and other receivables		59,335,589	35,307,845
<b>Total assets</b>		<u>1,674,211,879</u>	<u>1,665,111,340</u>
<b>Liabilities</b>			
Payable to Faysal Asset Management Limited - the Management Company	6	4,039,639	3,147,716
Payable to Central Depository Company of Pakistan Limited - the Trustee	7	117,676	206,855
Payable to the Securities and Exchange Commission of Pakistan	8	158,171	1,432,699
Accrued and other liabilities	9	34,730,626	40,858,833
Dividend payable		-	49,482,332
<b>Total liabilities</b>		39,046,112	95,128,435
<b>Net assets</b>		<u>1,635,165,767</u>	<u>1,569,982,905</u>
<b>Unit holders' fund (as per the statement attached)</b>		<u>1,635,165,767</u>	<u>1,569,982,905</u>
<b>Contingencies and commitments</b>	10		
		----- (Number of units) -----	
<b>Number of units in issue</b>		<u>15,140,919</u>	<u>15,333,783</u>
		----- (Rupees) -----	
<b>Net assets value per unit</b>		<u>108.00</u>	<u>102.39</u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For Faysal Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

## Condensed Interim Income Statement

For The Half Year and Quarter Ended December 31, 2019 (Un-audited)

	For the half year ended December 31,		For the quarter ended December 31,	
	2019	2018	2019	2018
Note	(Rupees)		(Rupees)	
<b>INCOME</b>				
Profit earned on debt and government securities	66,812,681	44,859,441	35,404,952	23,418,803
Mark-up earned on commercial papers	873,078	688,155	873,078	-
Income from Margin Trading System (MTS)	261,094	17,749,370	261,094	7,418,686
Return on balances with banks	41,997,403	28,417,965	20,781,223	16,905,946
Capital gain / (loss) on sale of investments	1,604,014	(476,009)	655,091	(78,412)
Unrealised diminution on revaluation of investment classified as 'at fair value through profit or loss' - net	(8,242,046)	(10,674,754)	(7,207,774)	(2,186,721)
<b>Total income</b>	<b>103,306,224</b>	<b>80,564,168</b>	<b>50,767,664</b>	<b>45,478,302</b>
<b>OPERATING EXPENSES</b>				
Remuneration of Faysal Asset Management Limited - the Management Company	11,948,149	15,509,246	6,066,714	7,580,739
Sindh sales tax on remuneration of the Management Company	1,554,375	2,016,202	784,705	985,496
Remuneration of the Central Depository Company of Pakistan Limited - the Trustee	601,804	1,307,391	302,639	643,841
Sindh sales tax on remuneration of the Trustee	78,246	169,961	39,761	83,700
Allocated expenses	797,186	1,035,161	404,888	505,467
Auditors' remuneration	296,840	301,760	150,880	150,880
Annual fee to the Securities and Exchange Commission of Pakistan	158,171	775,462	79,752	379,037
Fees and subscription	149,930	167,415	76,208	91,208
Transaction charges	751,302	2,234,689	410,757	980,984
Printing and other expenses	20,256	-	-	-
<b>Total operating expenses</b>	<b>16,356,259</b>	<b>23,517,287</b>	<b>8,316,304</b>	<b>11,401,352</b>
<b>Net profit from operating activities</b>	<b>86,949,965</b>	<b>57,046,881</b>	<b>42,451,360</b>	<b>34,076,950</b>
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1 (1,738,999)	(1,140,937)	(848,622)	(681,539)
<b>Net profit for the period before taxation</b>	<b>85,210,966</b>	<b>55,905,944</b>	<b>41,602,738</b>	<b>33,395,411</b>
Taxation	12 -	-	-	-
<b>Net profit for the period after taxation</b>	<b>85,210,966</b>	<b>55,905,944</b>	<b>41,602,738</b>	<b>33,395,411</b>
<b>Allocation of net profit for the period:</b>				
Net profit for the period after taxation	85,210,966	55,905,944		
Income already paid on units redeemed	(3,307,678)	(1,927,387)		
	<u>81,903,288</u>	<u>53,978,557</u>		
<b>Accounting income available for distribution</b>				
- Relating to capital gains	-	-		
- Excluding capital gains	81,903,288	53,978,557		
	<u>81,903,288</u>	<u>53,978,557</u>		

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For Faysal Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## Condensed Interim Statement of Comprehensive Income

For The Half Year Ended December 31, 2019 (Un-audited)

	For the half year ended December 31,		For the quarter ended December 31,	
	2019	2018	2019	2018
	----- (Rupees) -----		----- (Rupees) -----	
<b>Net profit for the period after taxation</b>	85,210,966	55,905,944	41,602,738	33,395,411
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>85,210,966</u>	<u>55,905,944</u>	<u>41,602,738</u>	<u>33,395,411</u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For Faysal Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

## Condensed Interim Cash Flows Statement

For The Half Year Ended December 31, 2019 (Un-audited)

For the half year ended  
December 31,

Note	2019		2018	
	(Rupees)		(Rupees)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
	85,210,966		55,905,944	
<b>Adjustments for:</b>				
Realised gain / (loss) on sale of investments - net	(1,604,014)		476,009	
Profit earned on debt and government securities	8,242,046		10,674,754	
Unrealised diminution on re-valuation of investments classified as 'at fair value through profit or loss' - net	(66,812,681)		(44,859,441)	
Mark-up earned on commercial papers	(873,078)		(688,155)	
Income from Margin Trading System (MTS)	(261,094)		(17,749,370)	
Return on balances with banks	(41,997,403)		(28,417,965)	
Provision for Sindh Workers' Welfare Fund (SWWF)	1,738,999		1,140,937	
	(16,356,259)		(23,517,287)	
<b>(Increase) / decrease in assets</b>				
Investments	130,613,310		217,926,741	
Receivable against Margin Trading System	(20,243,645)		258,778,060	
Deposits, prepayments and other receivables	85,916,512		91,408,979	
	196,286,177		568,113,780	
<b>Increase / (decrease) in liabilities</b>				
Payable to Faysal Asset Management Limited - the Management Company	891,923		(2,382,361)	
Payable to Central Depository Company of Pakistan Limited - the Trustee	(89,179)		(8,363)	
Payable to the Securities and Exchange Commission of Pakistan	(1,274,528)		775,462	
Accrued and other liabilities	(7,867,206)		(2,542,170)	
	(8,338,990)		(4,157,432)	
<b>Net cash generated from operating activities</b>	171,590,928		540,439,061	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Amounts received against issuance of units	208,489,698		212,068,995	
Payments made against redemption of units	(228,517,802)		(291,487,466)	
Dividend paid	(49,482,332)		(55,001,869)	
<b>Net cash used in financing activities</b>	(69,510,436)		(134,420,340)	
Net increase in cash and cash equivalents during the period	102,080,492		406,018,721	
Cash and cash equivalents at beginning of the period	708,408,906		638,123,844	
<b>Cash and cash equivalents at end of the period</b>	810,489,398	4	1,044,142,565	

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For Faysal Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## Condensed Interim Statement of Movement in Unit Holders' Fund

For The Half Year Ended December 31, 2019 (Un-audited)

	Half year ended December 31, 2019			Half year ended December 31, 2018		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
<b>Net assets at beginning of the period</b>	1,513,676,683	56,306,222	1,569,982,905	2,077,905,908	109,427,042	2,187,332,950
Issuance of 1,962,503 units (December 31, 2018: 1,078,230 units)						
- Capital value (at net asset value per unit at beginning of the period)	200,940,453	-	200,940,453	68,171,834	-	68,171,834
- Element of income	7,549,245	-	7,549,245	112,401	-	112,401
Total proceeds on issuance of units	208,489,698	-	208,489,698	68,284,235	-	68,284,235
Redemption of 2,155,367 units (December 31, 2018: 2,508,353 units)						
- Capital value (at net asset value per unit at beginning of the period)	(220,688,406)	-	(220,688,406)	(255,992,878)	-	(255,992,878)
- Element of loss	(4,521,718)	(3,307,678)	(7,829,396)	10,088	(1,927,387)	(1,917,299)
Total payments on redemption of units	(225,210,124)	(3,307,678)	(228,517,802)	(255,982,790)	(1,927,387)	(257,910,177)
Total comprehensive income for the period	-	85,210,966	85,210,966	-	55,905,944	55,905,944
Cash distribution @ Rs 2.7 per unit (date of declaration: July 6, 2018)	-	-	-	-	(55,001,869)	(55,001,869)
<b>Net assets at end of the period</b>	<b>1,496,956,257</b>	<b>138,209,510</b>	<b>1,635,165,767</b>	<b>1,890,207,353</b>	<b>108,403,730</b>	<b>1,998,611,083</b>
<b>Accumulated (loss) / undistributed income income brought forward</b>						
- Realised		64,293,697			104,247,524	
- Unrealised		(7,987,475)			5,179,518	
		56,306,222			109,427,042	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		81,903,288			53,978,557	
		81,903,288			53,978,557	
Cash distribution @ Rs 2.7 per unit (date of declaration: July 6, 2018)		-			(55,001,869)	
Undistributed income carried forward		138,209,510			108,403,730	
- Realised		146,451,556			114,334,730	
- Unrealised		(8,242,046)			(5,931,000)	
		138,209,510			108,403,730	
				(Rupees)		(Rupees)
Net assets value per unit at the beginning of the period			102.39			107.01
Net assets value per unit at the end of the period			108.00			105.11

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For Faysal Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## Notes to and forming part of the Condensed Interim Financial Statements

For The Half Year Ended December 31, 2019

### 1 LEGAL STATUS AND NATURE OF BUSINESS

Faysal Savings Growth Fund (the Fund) has been established under the Non-Banking Finance Companies (Establishment and Regulation), Rules 2003 (the NBFC Rules) and has been authorised as a unit trust scheme by the Securities and Exchange Commission of Pakistan (SECP) on February 27, 2007. It has been constituted under a trust deed, dated December 28, 2006 between Faysal Asset Management Limited being the Management Company and Central Depository Company of Pakistan Limited (CDC) being the Trustee.

The Fund is an open-end income fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis and the units are transferable and can be redeemed by surrendering them to the Fund. Title to the assets of the fund are held in the name of the Trustee of the Fund. The Fund was launched on May 07, 2007.

The objective of the Fund is to seek maximum possible preservation of capital and a reasonable rate of return via investing primarily in money market and debt securities having good credit rating and liquidity.

The Fund is categorised as an income scheme as per the Circular No. 7 of 2009 issued by the SECP.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "AA-(f)" stability rating to Faysal Savings Growth Fund as of October 17, 2019.

VIS Credit Rating Agency has awarded an "AM3+" asset manager rating to the Management Company as of June 24, 2019.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of Compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan comprise of:

- International Accounting Standard (IAS) 34, 'Interim financial reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the trust deed.

Wherever provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the trust deed differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the trust deed have been followed.

## Notes to and forming part of the Condensed Interim Financial Statements

For The Half Year Ended December 31, 2019

### 2.2 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period:

2.2.1 There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2019. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

### 2.3 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective:

The following standards, interpretations and amendments would be effective from the dates mentioned below against the respective amendments:

#### Effective date (accounting periods beginning on or after)

- |  |                 |
|--|-----------------|
| - IAS 1 - 'Presentation of financial statements' (amendment)                           | January 1, 2020 |
| - IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment) | January 1, 2020 |

The Management is currently in the process of assessing the impact of these amendments on the financial statements of the Fund.

2.3.1 There are certain other new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2020. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

### 2.4 Critical accounting estimates and judgments

The basis for accounting estimates adopted in the preparation of these condensed interim financial statements is the same as that applied in the preparation of the financial statements of the Fund for the year ended June 30, 2019.

### 2.5 Accounting convention

These condensed interim financial statements have been prepared under the historical cost convention except that investments have been carried at fair values.

### 2.6 Functional and presentation currency

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Fund operates. These condensed interim financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

## Notes to and forming part of the Condensed Interim Financial Statements

For The Half Year Ended December 31, 2019

### 2.7 Financial risk management

The financial risk management objectives and policies adopted by the Fund are consistent with those disclosed in the financial statements for the year ended June 30, 2019

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

		<b>December 31, 2019 (Un-audited)</b>	<b>June 30, 2019 (Audited)</b>
	<b>Note</b>	----- (Rupees) -----	-----
<b>4</b>	<b>BALANCES WITH BANKS</b>		
	PLS savings accounts	4.1 <u>810,489,398</u>	<u>708,408,906</u>
<b>4.1</b>	These carry mark-up ranging between 7% to 14.50% (June 30, 2019: 5% to 13.6%) per annum and include balance of Rs. 10.74 million (June 30, 2019: Rs. 51.89 million) held with Faysal Bank Limited (a related party).		
		<b>December 31, 2019 (Un-audited)</b>	<b>June 30, 2019 (Audited)</b>
	<b>Note</b>	----- (Rupees) -----	-----
<b>5</b>	<b>INVESTMENTS</b>		
	<b>At fair value through profit or loss</b>		
	Other debt securities	5.1 709,172,022	802,437,669
	Government securities	5.2 74,971,225	49,430,018
	<b>At amortised cost</b>		
	Commercial paper	5.3 <u>-</u>	<u>69,526,902</u>
		<u>784,143,247</u>	<u>921,394,589</u>

## Notes to and forming part of the Condensed Interim Financial Statements

### For The Half Year Ended December 31, 2019

#### 5.1 Other debt securities - at fair value through profit or loss

Name of investee company	Face value				Balance as at December 31, 2019			Market value as percentage of total investments	Market value as percentage of net assets	Market value as percentage of size of issue
	As at July 01, 2019	Purchased during the period	Disposed / matured during the period	As at December 31, 2019	Carrying value	Market value	Unrealised gain / (loss) on revaluation			
Rupees										
<b>Term Finance Certificates - Unlisted</b>										
<b>Commercial Banks</b>										
The Bank of Punjab (23-Dec-16)	129,870,000	-	-	129,870,000	128,577,768	127,749,227	(828,541)	16.29%	7.81%	3.19%
JS Bank Limited - PPTFC * (14-Dec-16)	159,840,000	-	-	159,840,000	160,500,267	151,814,893	(8,685,384)	19.36%	9.28%	3.80%
Askari Bank Limited (30-Mar-17)	42,912,618	-	-	42,904,020	41,937,092	41,937,092	-	5.35%	2.56%	1.05%
<b>Investment Company</b>										
Jahangir Siddiqui & Company Limited (18-Jul-17)	87,500,000	-	-	75,000,000	74,775,000	74,775,000	-	9.54%	4.57%	1.87%
Jahangir Siddiqui & Company Limited (6-Mar-18)	100,000,000	-	-	100,000,000	99,350,000	99,201,400	(148,600)	12.65%	6.07%	2.48%
<b>Technology and Communication</b>										
TPL Corp Limited TFC (19-Dec-17)	40,000,000	-	40,000,000	-	-	-	-	0.00%	0.00%	0.00%
<b>Sukuk Certificates - Listed</b>										
<b>Fertilizer</b>										
Dawood Hercules Corporation Limited Sukuk (16-Nov-17)	12,600,000	-	-	11,200,000	11,158,559	11,170,880	12,321	1.42%	0.68%	0.56%
Dawood Hercules Corporation Limited Sukuk (1-Mar-18)	61,000,000	-	-	54,900,000	54,790,200	54,721,410	(68,790)	6.98%	3.35%	2.74%
<b>Others</b>										
International Brands Limited Sukuk (18-Nov-17)	175,000,000	-	-	149,748,830	146,678,979	147,802,130	1,123,151	18.85%	9.04%	7.39%
<b>December 31, 2019</b>	<b>808,722,618</b>	<b>-</b>	<b>40,000,000</b>	<b>723,462,850</b>	<b>717,767,865</b>	<b>709,172,022</b>	<b>(8,595,843)</b>			
<b>June 30, 2019</b>					<b>809,855,162</b>	<b>802,437,669</b>	<b>(7,417,493)</b>			

#### 5.2 Government securities - at fair value through profit or loss

Name of security	Face value				Balance as at December 31, 2019			Market value as percentage of total investments	Market value as percentage of net assets	
	As at July 01, 2019	Purchased during the period	Sold during the period	Matured during the period	As at December 31, 2019	Carrying value	Market value			Unrealised gain / (loss) on revaluation
Rupees										
<b>Market treasury bills</b>										
Market treasury bills - 3 months	-	625,000,000	600,000,000	-	25,000,000	24,617,428	24,611,225	(6,203)	3.14%	1.51%
Market treasury bills - 12 months	-	1,400,000,000	1,400,000,000	-	-	-	-	-	-	-
<b>Pakistan Investment Bonds</b>										
Pakistan Investment Bonds - 10 years	50,000,000	75,000,000	75,000,000	-	50,000,000	50,000,000	50,360,000	360,000	6.42%	3.08%
Pakistan Investment Bonds - 05 years	-	350,000,000	350,000,000	-	-	-	-	-	-	-
Pakistan Investment Bonds - 03 years	-	700,000,000	700,000,000	-	-	-	-	-	-	-
<b>December 31, 2019</b>	<b>50,000,000</b>	<b>3,150,000,000</b>	<b>3,125,000,000</b>	<b>-</b>	<b>75,000,000</b>	<b>74,617,428</b>	<b>74,971,225</b>	<b>353,797</b>	<b>9.56%</b>	<b>4.58%</b>
<b>June 30, 2019</b>	<b>150,000,000</b>	<b>950,000,000</b>	<b>800,000,000</b>	<b>250,000,000</b>	<b>50,000,000</b>	<b>50,000,000</b>	<b>49,430,018</b>	<b>(569,982)</b>		

## Notes to and forming part of the Condensed Interim Financial Statements

For The Half Year Ended December 31, 2019

**5.2.1** This investment has been pledged with National Clearing Company of Pakistan Limited as security against settlement of the Fund's trades in terms of Circular No. 11 dated October 23, 2007 issued by SECP.

### 5.3 Commercial paper - at amortised cost

Name of investee company	----- Face value -----					Carrying value as at December 31, 2019	Maturity	Rating	Face value as percentage of total investments	Face value as percentage of net assets	Face value as percentage of issue size
	As at July 01, 2019	Purchased during the period	Sold during the period	Matured during the period	As at December 31, 2019						
----- (Rupees) -----											
The Hub Power Company Limited	70,000,000	-	-	70,000,000	-	-	Jul-19	AA+			0.00%
The Hub Power Company Limited	-	79,000,000	79,000,000	-	-	-	Mar-20	AA+			0.00%
<b>December 31, 2019</b>	<b>70,000,000</b>	<b>79,000,000</b>	<b>79,000,000</b>	<b>70,000,000</b>	<b>-</b>	<b>-</b>					<b>0.00%</b>
June 30, 2019	80,000,000	70,000,000	-	70,000,000	69,526,902						

**December 31,**  
**2019**  
**(Un-audited)**  
----- (Rupees) -----

**June 30,**  
**2019**  
**(Audited)**

### 6 PAYABLE TO THE FAYSAL ASSET MANAGEMENT LIMITED - THE MANAGEMENT COMPANY

Remuneration of the Management Company	6.1	2,082,552	1,995,569
Sindh sales tax on remuneration of the Management Company	6.2	271,848	259,425
Allocated expenses		1,675,732	14,176
Sales load		9,507	878,546
		<u>4,039,639</u>	<u>3,147,716</u>

**6.1** The Management Company has charged remuneration at the rate of 1.5% (June 30, 2019: 1.5%) per annum on average daily net assets for the period. The fee is payable to the Management Company monthly in arrears.

**6.2** The Provincial Government of Sindh has levied Sindh sales tax at the rate of 13% (June 30, 2019: 13%) on the remuneration of the Management Company through the Sindh sales tax on Services Act, 2011.

## Notes to and forming part of the Condensed Interim Financial Statements

For The Half Year Ended December 31, 2019

		December 31, 2019 (Un-audited)	June 30, 2019 (Audited)
<b>7</b>	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - THE TRUSTEE</b>	<b>Note ----- (Rupees) -----</b>	
	Remuneration payable to the Trustee	104,128	183,057
	Sindh sales tax on remuneration of the Trustee	7.1 <u>13,548</u>	<u>23,798</u>
		<u>117,676</u>	<u>206,855</u>

7.1 Sindh sales tax at 13 % (June 30, 2019: 13%) is charged on Trustee Fee.

		December 31, 2019 (Un-audited)	June 30, 2019 (Audited)
<b>8</b>	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>	<b>Note ----- (Rupees in '000) -----</b>	
	Annual fee	8.1 <u>158,171</u>	<u>1,432,699</u>

8.1 This represents annual fee payable to the SECP in accordance with the NBFC Regulations, whereby the Fund is required to pay the SECP an amount at the rate of 0.02% per annum of daily net assets of the Fund in accordance with SRO 685(1)/2019 of the SECP.

		December 31, 2019 (Un-audited)	June 30, 2019 (Audited)
<b>9</b>	<b>ACCRUED AND OTHER LIABILITIES</b>	<b>Note ----- (Rupees in '000) -----</b>	
	Accrued and other liabilities	3,649,843	2,764,930
	Zakat payable	33,331	8,785,450
	Provision for Sindh Workers' Welfare Fund (SWWF)	9.1 <u>12,766,087</u>	<u>11,027,088</u>
	Provision for indirect taxes and duties	9.2 <u>18,281,365</u>	<u>18,281,365</u>
		<u>34,730,626</u>	<u>40,858,833</u>

9.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have mutual funds / CISs excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on mutual funds / CISs, MUFAP recommended that, as a

## Notes to and forming part of the Condensed Interim Financial Statements

For The Half Year Ended December 31, 2019

matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

Considering the above, the fund has made the provision against SWWF amounting to Rs. 12.77 million as at December 31, 2019 (2018: 11.03 million). Had the provision for SWWF not been recorded in these financial statements of the Fund, the net asset value of the Fund as at December 31, 2019 would have been higher by Re. 0.84 per unit (June 30, 2019: Re. 0.72 per unit).

**9.2** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 18.28 million is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been retained, the NAV per unit of the Fund would have been higher by Re 1.2074 (June 30, 2019: Re 1.1922) per unit.

## 10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2019 and June 30, 2019.

## 11 ALLOCATED EXPENSES

"In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

## Notes to and forming part of the Condensed Interim Financial Statements

For The Half Year Ended December 31, 2019

The management company based on its own discretion has currently fixed a maximum capping of 0.1 percent of the average annual net assets of the scheme for allocation of such expenses to the Fund."

### 12 TAXATION

The income of the fund is exempt from income tax under Clause (99) of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of the accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause II A of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. Since the management intends to distribute the income earned by the Fund during the period to the unit holders in the manner as explained above, accordingly, no provision for taxation has been made in these condensed interim financial statements for the period ended December 31, 2019.

### 13 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the management, determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

### 14 EXPENSE RATIO

The total expense ratio (TER) of the Fund for the period from July 1, 2019 to December 31, 2019 is 2.27% which includes 0.44% representing government levies, Sindh Workers' Welfare Fund and the SECP fee, etc. This is within the prescribed regulatory limit of 2.5%.

### 15 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

- 15.1** Connected persons and related parties include Faysal Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, Faysal Asset Management Limited - Staff Provident Fund, Faysal Asset Management Limited - Staff Gratuity Fund, Faysal Bank Limited, Faysal Bank Limited - Staff Provident Fund, Faysal Bank Limited - Staff Gratuity Fund and other entities under common management and / or directorship and the directors and officers of the Management Company and the Trustee, key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund at period end.
- 15.2** The details of significant transactions carried out by the Fund with connected persons / related parties and balances with them at period end are as follows:

## Notes to and forming part of the Condensed Interim Financial Statements

For The Half Year Ended December 31, 2019

	Half year ended December 31	
	2019	2018
	(Un-audited)	
	----- (Rupees) -----	
<b>Transactions during the period</b>		
<b>Faysal Asset Management Limited (the Management Company)</b>		
Remuneration of Faysal Asset Management Limited - the Management Company	11,948,149	15,509,246
Sindh sales tax on remuneration of the Management Company	1,554,375	2,016,202
Allocated expenses	797,186	1,035,161
<b>Faysal Bank Limited (group company)</b>		
Return on PLS savings accounts	527,598	140,353
Redemption of Nil units (2018: 300,346 units)	-	30,698,397
Cash dividend	-	61,550
<b>Central Depository Company of Pakistan Limited - (the Trustee)</b>		
Remuneration of the Central Depository Company of Pakistan Limited - the Trustee	601,804	1,307,391
Sindh sales tax on remuneration of the Trustee	78,246	169,961
Settlement charges	188,260	364,322
<b>Unitholders holding 10% or more units</b>		
Issue Nil units (2018: 122,288 units)	-	12,505,188
	<b>December 31,</b>	<b>June 30,</b>
	<b>2019</b>	<b>2019</b>
	(Un-audited)	(Audited)
	----- (Rupees) -----	
<b>Outstanding balances</b>		
<b>Faysal Asset Management Limited (the Management Company)</b>		
Remuneration to the Management Company	2,082,552	1,995,569
Sindh sales tax on remuneration to the Management Company	271,848	259,425
Allocated expenses	1,675,732	878,546
Sales load payable	9,507	14,176

## Notes to and forming part of the Condensed Interim Financial Statements

For The Half Year Ended December 31, 2019

	December 31, 2019 (Un-audited)	June 30, 2019 (Audited)
	----- (Rupees) -----	
<b>* Faysal Bank Limited (group company)</b>		
Balance in PLS savings accounts	10,687,461	51,895,190
Return Receivable on PLS Savings accounts	-	994,541
Units in issue 6,478,940 units (2019: 6,478,940 units)	699,702,620	663,360,428
<b>Central Depository Company of Pakistan Limited - (the Trustee)</b>		
Remuneration to trustee	104,128	183,057
Sales tax on remuneration to trustee	13,548	23,798
Security deposits	100,000	100,000
<b>Unitholders holding 10% or more units</b>		
Units in issue 3,423,470 units (2019: 3,423,470 units)	369,722,640	350,519,437

\* Faysal Bank Limited also holds more than 10% units in the Fund.

### 16 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradeable in an open market are revalued at market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

#### Fair value hierarchy

International Financial Reporting Standard 13, 'Fair value measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

## Notes to and forming part of the Condensed Interim Financial Statements

### For The Half Year Ended December 31, 2019

As at December 31, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value, whereas, there were no investments at fair value as at June 30, 2019

As at Decemeber 31, 2019				
Level 1	Level 2	Level 3	Total	
----- (Rupees) -----				
<b>ASSETS</b>				
<b>Financial assets 'at fair value through profit or loss'</b>				
Term finance certicates	-	495,477,602	-	495,477,602
Sukuks	-	213,694,420	-	213,694,420
Market treasury bills	-	24,611,225	-	24,611,225
Pakistan Investment Bonds	-	50,360,000	-	50,360,000
	-	784,143,247	-	784,143,247

As at June 30, 2019				
Level 1	Level 2	Level 3	Total	
----- (Rupees) -----				
<b>ASSETS</b>				
<b>Financial assets 'at fair value through profit or loss'</b>				
Term finance certicates	-	557,588,639	-	557,588,639
Sukuks	-	244,849,030	-	244,849,030
Pakistan Investment Bonds	-	49,430,018	-	49,430,018
	-	851,867,687	-	851,867,687

## 17 GENERAL

17.1 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements, except for the following:

Reclassification from the condensed interim income statement	Reclassified to the condensed interim financial statement	Half year ended December 31, 2018	Quarter ended December 31, 2018
Brokerage Charges	Transaction costs	30,294	10,779
Settlement Charges, federal excise duty and capital value tax	Transaction costs	2,178,002	951,065
Bank Charges	Transaction costs	26,393	19,140

## Notes to and forming part of the Condensed Interim Financial Statements

For The Half Year Ended December 31, 2019

Reclassification from the condensed interim statement of asset and	Reclassified to the condensed interim statement of assets and liabilities	June 30, 2019
		-----Rupees-----
Accrual and other liabilities	Payable to the Securities and Exchange Commission of Pakistan	1,432,699

### 18 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on January 31, 2020 by the Board of Directors of the Management Company.

For Faysal Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

کی انتظامیہ کے قابل قدر تعاون، مدد اور رہنمائی پر ان کے مشکور ہیں۔ بورڈ منتظم کمپنی کے ملازمین اور ٹرسٹیوں کی انتھک محنت اور جدوجہد پر ان کے شکر یہ ادا کرتا ہے۔

برائے و منجانب

ڈائریکٹر

چیف ایگزیکٹو آفیسر

کراچی: 31 جنوری 2020

ٹریلین روپے تھی اور 2) ٹریڈری بانڈز کی 12 ٹریلین روپے جو کہ SPLY میں 3.1 ٹریلین روپے تھی کیونکہ مرکزی بینک سے قرضہ لینے کا رجحان بینکوں کی جانب منتقل ہو گیا ہے۔ توقع ہے کہ شرح سود درمیانی مدت میں منکوس ہو جائے گا، اس لئے حکومت کی توجہ متنازل بانڈز کے ذریعے رقم حاصل کرنے پر ہوگی۔

گزشتہ تین ماہ میں مرکزی بینک نے ٹریڈری بلز کے ساتھ نیلام منعقد کئے جس میں دسمبر 2019 کو اوزانی اوسط گرتی 1) سہ ماہی مدت کی 13.72 فیصد سے کم ہو کر 13.45 فیصد ہو گئی، 2) ششماہی مدت کی 13.83 فیصد (ستمبر 2019 میں) سے کم ہو کر 13.29 فیصد ہو گئی، اور 3) بارہ ماہی مدت کی 13.77 فیصد (ستمبر 2019 میں) سے کم ہو کر 13.11 فیصد ہو گئی۔

اسی مدت کے دوران مرکزی بینک نے ٹریڈری بانڈز کے تین نیلام منعقد کیا جس میں کل قبول شدہ رقم 412 بلین روپے رہی جس میں اوزانی اوسط منفعت دسمبر 2019 میں کمی ہوئی 1) تین سالہ مدت کی 12.87 فیصد (ستمبر 2019) سے کم ہو کر 11.58 فیصد ہو گئی، پانچ سالہ مدت کی 12.38 فیصد (ستمبر 2019) سے کم ہو کر 11.15 فیصد ہو گئی اور 3) دس سالہ مدت کی 12.15 فیصد (ستمبر 2019) سے کم ہو کر 10.95 فیصد رہ گئی۔ مالیاتی پالیسی سے قبل آخری نیلام میں تین سالہ کی منفعت میں 7 بی پی ایس، 5 سالہ کی مدت میں 24 بی پی ایس اور 10 سالہ مدت میں 33 بی پی ایس کی کمی ہوئی۔ موجودہ سہ ماہی کا ہدف 450 بلین روپے ہے جس ہدف کو حکومت حاصل کرنے کے لئے پرعزم ہے۔

مارکیٹ کے شرکاء کو یقین ہے کہ مستقبل قریب میں افراط زر میں اضافہ کی وجہ سے چند ماہ تک نرخوں میں کمی کو سہارا نہیں ملے گا اور کارپوریٹ اور غیر ملکیوں کی شدید طلب سے منفعت میں کمی آئے گی۔ ہماری رائے میں مرکزی بینک شرح سود کے اتار چڑھاؤ میں پائیدار راستے پر عمل کرے گا اور ایک نشت نرخوں میں کمی نہیں لائے گا۔

### فنڈ کی کارکردگی

1HFY20 کی مدت کے دوران FGSF نے 10.87 فیصد سالانہ منفعت فراہم کی۔ مدت کے اختتام تک آپ کے فنڈ کی 42.36 سرمایہ کاری سلوک میں، 3.01 فیصد PIBs میں، اور 48.41 فیصد بطور نقد بینکوں میں موجود تھا۔ آگے کی جانب آپ کا فنڈ پُرکشش لیکن کم خطر ات کی حامل اور کم اتار چڑھاؤ والی سرمایہ کاری مصنوعات کو تلاش کر رہا ہے جو کہ اعلیٰ منفعت فراہم کر سکیں۔

### فنڈ کی ریٹینگ

پاکستان کریڈٹ ریٹینگ ایجنسی لمیٹڈ (PACRA) نے FSGF کو 17 اکتوبر 2017 کو مستحکم ریٹینگ "AA-(f)" سے نوازا ہے۔

### اعتراف

منظم کمپنی کے بورڈ آف ڈائریکٹرز اپنے یونٹ ہولڈرز کے انتظامیہ پر اعتماد، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج

13.25 فیصد برقرار رکھا اور ہم توقع کرتے ہیں کہ جولائی 2020 سے کچھ مقدار میں سہولت آئے گی۔ اس وقت پاکستان کے مرکزی بینک کے پاس FX ذخائر 11.4 بلین یو ایس ڈالر ہیں۔

چائنہ پاکستان کے آزاد تجارتی معاہدہ کا دوسرا مرحلہ ستمبر 2019 سے نافذ ہو گیا ہے۔ اسی دوران دسمبر 2019 میں سہ ماہی CAD جی ڈی پی 1.06 فیصد یا 661 بلین یو ایس ڈالر یعنی قاپو میں رہا جس کی وجہ سے ریٹ میں مسلسل بہتری رہی کیونکہ دسمبر 2019 کی سہ ماہی میں درآمدات میں گزشتہ سال کے مقابلے میں 17 فیصد کمی ہوئی جس سے درآمدی احاطہ بڑھ کر 2.6 ماہ ہو گیا جبکہ SPLY (گزشتہ سال اسی مدت) میں 1.4 ماہ تھا۔

موجودہ حکومت نے EOBFI پنشن کو بڑھا کر 8,500 روپے ماہانہ کر دیا ہے جس سے گرتی ہوئی قوت خریداری کو کچھ ریلیف ملے گا۔ تاہم دسمبر 2019 میں ایشیائے صرف میں معمولی بہتری آئی ہے (1) افراط زر میں معمولی کمی کے ساتھ 11.9 فیصد ہو گیا جبکہ SPLY میں 6.5 فیصد تھا اور (2) پیٹرول کے حجم میں گزشتہ سال کی بہ نسبت 4 فیصد اضافہ ہوا جبکہ SPLY میں 3 فیصد تھا۔

ایک روسی کمپنی گیز پرمو نے سمندر میں زیر آب پائپ لائن بچھانے کے لئے فزہیلٹی اسٹڈی کا آغاز کر دیا ہے جو کہ خلیج کے پاکستان، انڈیا اور بنگلہ دیش کے ساتھ ساتھ مینامار اور تھائی لینڈ سے ہوتی ہوئی چائنہ میں جا کر ختم ہوگی۔ FDI کے لئے پاکستان اپنی کاروباری فضا کو بہتر بنانے کے لئے متحرک کارنامہ کر رہا ہے۔ جس کے نتیجے میں دسمبر 2019 کی سہ ماہی میں مقامی سیمنٹ کی درآمدات گزشتہ سال کی بہ نسبت 7 فیصد زیادہ رہیں جبکہ SPLY میں 2 فیصد تھیں۔

ٹیکس وصولی میں بہتری کے لئے FBR نے فیصلہ کیا ہے کہ ٹریک اینڈ ٹریس سسٹم کے احاطہ کو دیگر بڑے شعبوں تک وسعت دی جائے تاکہ مکمل ٹیکس وصولی کے ہدف کو حقیقی معنوں میں قابل عمل بنایا جاسکے۔ ستمبر 2019 میں حکومت کی TTM ٹیکس وصولی میں گزشتہ سال کی بہ نسبت 0.3 فیصد کمی ہوئی جبکہ SPLY میں 4 فیصد تھی، لہذا اترقیاتی اخراجات گزشتہ سال کی بہ نسبت 18 فیصد کم رہے جبکہ گزشتہ سال اسی مدت میں 8 فیصد تھے جس سے خسارہ GDP کا 8 فیصد ہو گیا جبکہ SPLY میں 7 فیصد تھا۔

### بازار زر کا جائزہ

1QFY20 میں مالیاتی توازن (بمطابق شرح فیصد GDP) میں بہت زیادہ بہتری آئی جو کہ SPLY (گزشتہ سال اسی مدت) کے 1.40 فیصد کے مقابلے میں موجودہ مدت میں 0.65 فیصد رہا جس کی تعریف IMF نے بھی کی۔ مدت 1HFY20 میں عبوری ٹیکس وصولی 2.08 ٹریلین پاکستانی روپے رہی جو کہ گزشتہ سال کی بہ نسبت 16 فیصد کم کی عکاسی کرتی ہے۔ ٹیکس کی وصولی میں بہتری کی وجہ سے مالیاتی توازن میں بہتری آئی۔

پہلے جائزہ کے بعد IMF نے پروگرام میں کچھ تبدیلیاں متعارف کروائیں جس میں ٹیکس وصولی کے ہدف میں ترمیم کر کے اسے کم کرنا شامل تھا۔ مزد معاشی منتظمین رواں قرضہ جاتی سرمایہ کی میچورٹی کو تبدیل کر رہے ہیں (1) ٹریڈری بلز کی 4.6 ٹریلین روپے جبکہ SPLY میں 3.4

## منتظم کمپنی کے ڈائریکٹران کی رپورٹ

فیصل سیونگز گروتھ فنڈ (FSGF) کی منتظم کمپنی فیصل ایسٹ مینجمنٹ لمیٹڈ کے ڈائریکٹران کی غیر آڈٹ شدہ اختصاری عبوری مالیاتی گوشوارے برائے ختمہ مدت 31 دسمبر 2019 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

### مالیاتی جھلکیاں

سہ ماہی ختمہ 31 دسمبر		شش ماہی ختمہ 31 دسمبر		
2018	2019	2018	2019	
روپے بلین میں				
45.478	50.768	80.564	103.306	کل آمدن
(12.083)	(9.165)	(24.658)	(18.095)	کل اخراجات
33.395	41.603	55.906	85.211	خالص آمدنی قبل از ٹیکس
-	-	-	-	ٹیکس
33.395	41.603	55.906	85.211	مدت کی خالص آمدنی بعد از ٹیکس
105.11	108.00	105.11	108.00	NAV فی یونٹ (روپے)

### اقتصادی جائزہ

ملک کے سیاسی جغرافیہ پر نازک بیرونی صورتحال کے سائے منڈلاتے رہے خاص طور پر مشرق وسطیٰ کی صورتحال جس میں پاکستان کو سعودی عربیہ کی قیادت کو یقین دہانی کروانا پڑی کہ دیگر مسلمان ممالک کے ساتھ مصروف عمل ہونے کے باوجود اسلام آباد کے تعلقات ان کے ساتھ مستحکم رہیں گے۔ امریکہ نے خدشات ظاہر کئے کہ CPEC کی وجہ سے پاکستان کے پہلے سے لئے ہوئے قرضوں پر مزید بوجھ بڑھ جائے گا جبکہ معاشی معاملات کے وزیر نے بتایا کہ پاکستان کامیابی کے ساتھ فنانشل ایکشن ٹاسک فورس انٹرنیشنل کوآپریشن ریویو گروپ کے ایکشن پلان پر عملدرآمد کر لے گا کیونکہ FATF سے متعلق بل سینٹ میں پیش کیا جا چکا ہے۔

2019 FY میں حقیقی شرح نمو اوسطاً 4.4 کے مقابلے میں کم ہو کر 2.9 فیصد رہی جبکہ 18 FY میں 5.8 فیصد تھی۔ IMF کو توقع ہے کہ 21 میں معیشت میں بحالی آئے گی۔ ایشیائے صرف اور بیرونی کھاتوں میں کچھ بحالی کی علامت کے ساتھ سرکاری اخراجات میں بہتری شامل تھی۔ موڈی نے پاکستان کے منظر نامے کو منفی سے تبدیل کر کے مستحکم قرار دیا۔ پاکستانی روپے/یو ایس ڈالر کی تجارت 155 میں ہوئی جو کہ گزشتہ سال کے مقابلے میں 13 فیصد زیادہ ہے جبکہ گزشتہ سال اسی مدت کے مقابلے میں 11 فیصد کا فرق ہے۔ نومبر 2019 میں عبوری REER گزشتہ SPLY (گزشتہ سال اسی مدت) کے 101 کے مقابلے میں 96 رہی۔ مرکزی بینک نے اپنے حالیہ اجلاس میں پالیسی نرخ کو

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





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